Update on DoD Progress in Anti-Counterfeiting April 12, 2011

L&MR/SCI

Securing the DoD Supply Chain: The Counterfeits Challenge

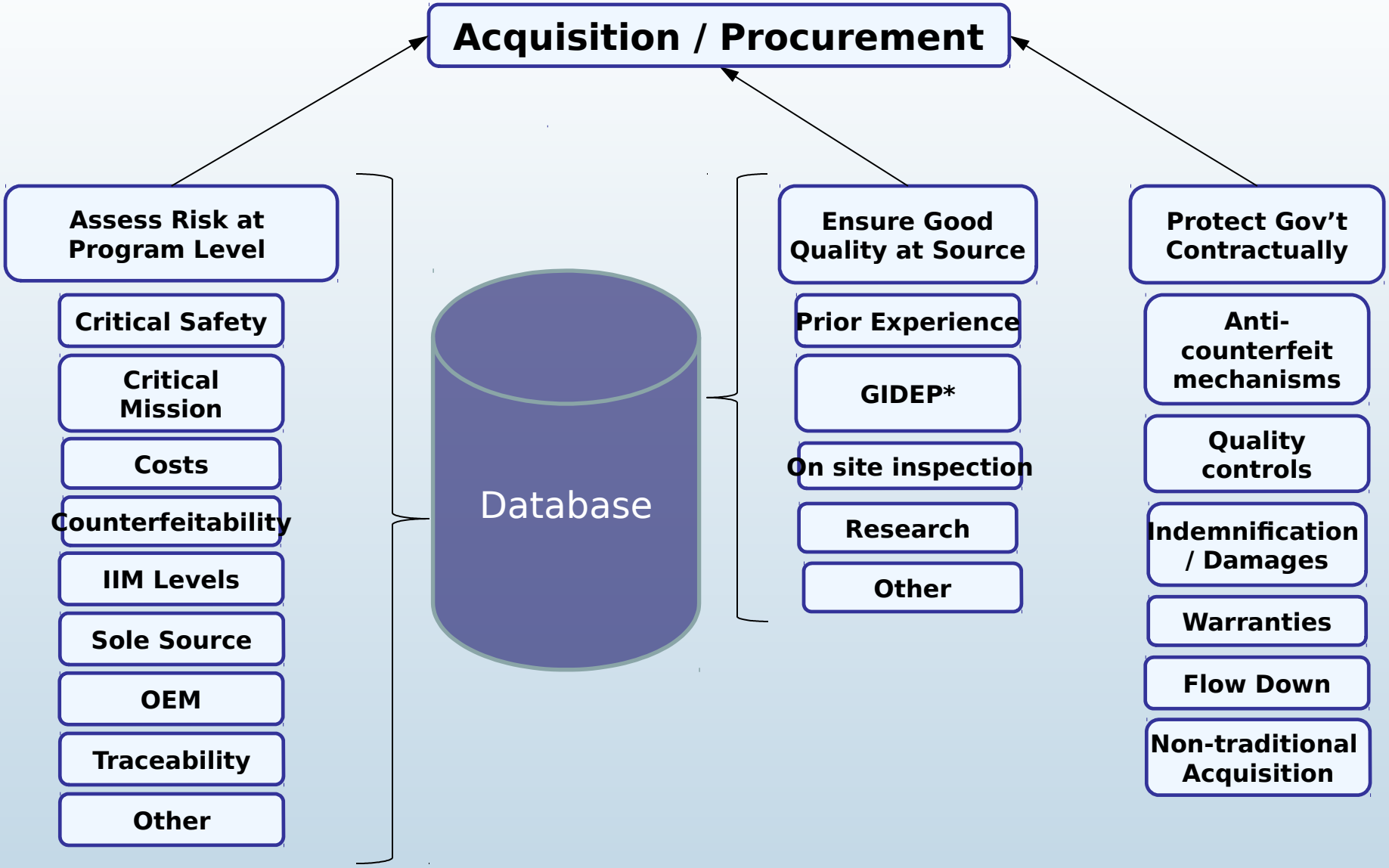
- Jan 2010 Dept of Commerce study and March 2010 GAO audit on counterfeit parts found:
  - A rise in counterfeit items entering DoD supply chains
  - Inconsistent DoD definition of counterfeit materiel
  - The need for more component testing
  - that DoD should develop and disseminate standard guidance on antip-counterfeiting
- DoD has a multi-layer process in place to detect and handle non-conforming material, of which counterfeit is an example. These processes have prevented serious incidents due to counterfeiting to date.

However, the DoD cannot be complacent against this global threat

What is the overall process for preventing

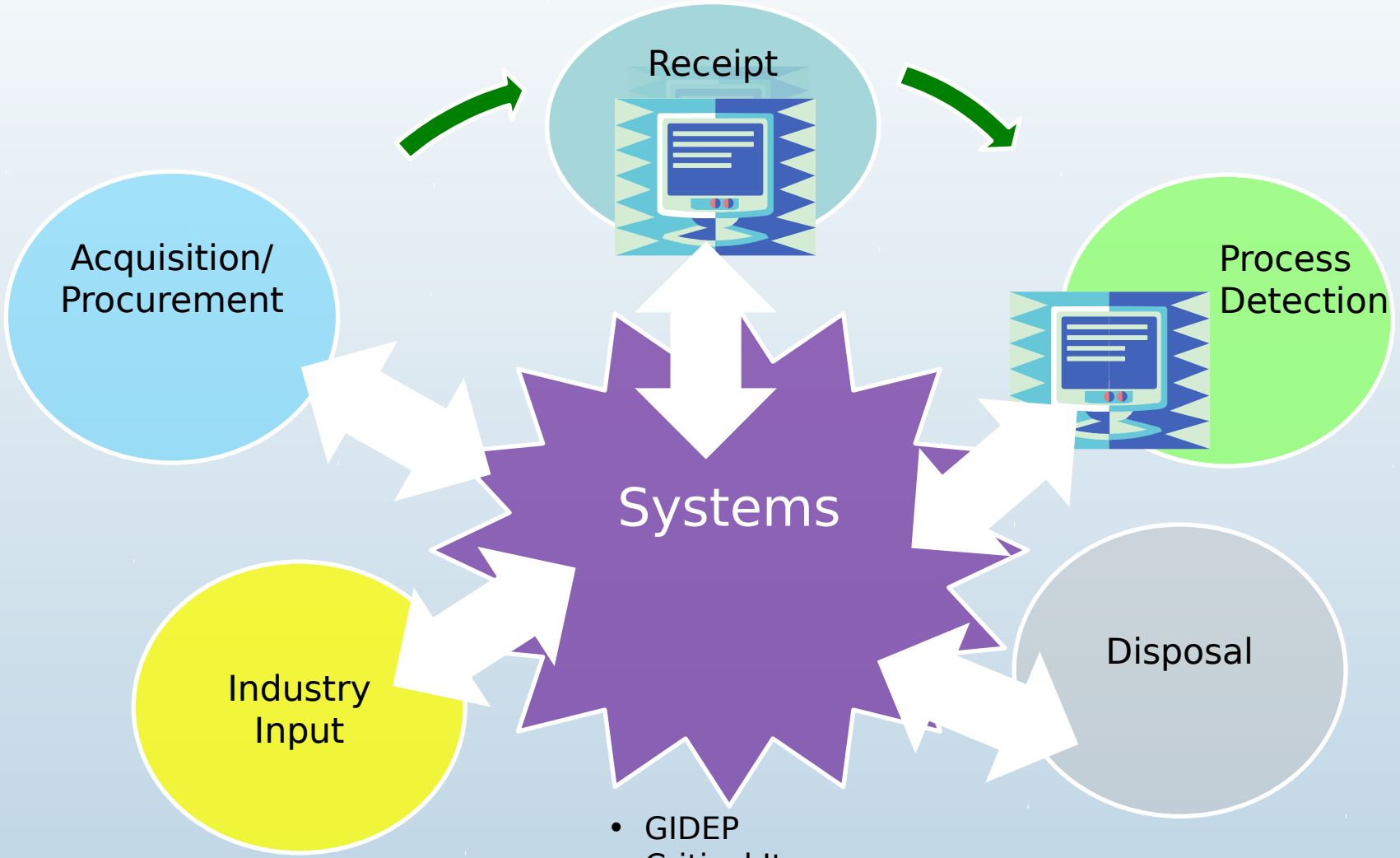
Life Cycle Controls

How do we know we're buying genuine material?



* GIDEP – Government Industry Data Exchange Program

Anti-Counterfeit Information Flow



- GIDEP
- Critical Items
- Vendor Information
- Outside Links

What we're doing

- Issuing a Directive Type Memorandum (DTM) on full lifecycle anti-counterfeiting
- Developed a 4 year Program Objectives and Milestones to coordinate anti-counterfeiting activities
- Immediate focus on:
  - Service level programs and policy
  - Disposition of counterfeit materiel
  - Information sharing process
  - Input to White House lead initiative on counterfeiting and protection of intellectual property on procurement and regulatory policy